

## Clwyd Pension Fund Scheme of Delegation

The Clwyd Pension Fund has certain functions which are delegated to the Chairman, Vice-Chairman and/or Officers of the Fund by the Pension Fund Committee. This paper outlines the decision made, the powers under which it is made, when the decision was taken, and by whom.

<b>Delegated powers being used (extracted from agreed PFC delegations):</b>	<b>Delegation:</b>	Selection, appointment and dismissal of the Fund’s advisers, including actuary, benefits consultants, investment consultants, global custodian, fund managers, lawyers, pension funds administrator, and independent professional advisers.
	<b>Delegated Officer(s):</b>	DHCPF and the CFM as agreed by Committee on June 19 <sup>th</sup> 2024.
	<b>Communication and Monitoring of Use of Delegation</b>	Ongoing reporting to PFC for noting.

<b>Subject matter</b>	Appointment of Investment Consultant.
<b>Recommendation</b>	To appoint Mercer Ltd with effect from 1 October 2024.

<b>Background:</b>
As agreed at the March Committee, and set out in the Business Plan, the investment consultancy contract (which is currently held by Mercer) was being re-tendered prior to its expiry on 31 March 2025 to enable the procurement process to be led by the Deputy Head of the Fund prior to her retirement given her expertise in this process. This requires notice to be served on the current advisers to terminate the existing contract before its scheduled expiry (regardless of the procurement outcome). As has been the case in the past, the tender was run through the National

LGPS Framework (currently the Investment Management Consultancy Services Framework 2022).

It took longer than expected to launch the tender, principally due to changes in procurement regulations and guidance which have required additional time and advice from our procurement advisers. As a result, it was not possible to bring a recommendation to Committee for approval of the preferred bidder to the June Committee.

To enable the Deputy Head of the Fund to see the procurement process through to its conclusion, including advising the bidders of the outcome of the process in a timely manner, the Committee delegated “the selection, appointment and dismissal” (as required) of the Fund’s investment consultants to the Deputy Head of Fund and the Corporate Finance Manager following the completion of the interviews and associated scoring. The outcome of the delegation will be reported for noting at the September Committee.

The Fund received 2 bids for the tender. Both were invited to present to officers and the final scores are shown below.

	Consultant A	Consultant B
<b>Quality &amp; Service Fit</b>		
Scores	63	75.5
<b>Fees</b>		
Scores	10.15	9.85
<b>Final</b>		
Scores	73.15	85.35

Consultant B was awarded the contract.

**Approved:**

	<b>Name:</b>	<b>Date:</b>
<b>Deputy Head of Clwyd Pension Fund:</b>	Debbie Fielder	<u>28/06/2024</u>
<b>Corporate Finance Manager:</b>	Gary Ferguson	28/06/2024